

INTERLOCAL AGREEMENT

1. PARTIES This Interlocal Agreement ("Agreement") is entered into between Washoe County, by and through its duly constituted Board of County Commissioners ("County"), and Washoe County School District, by and through its duly constituted Board of Trustees, a local government as defined in NRS 354.474 ("District"), and all parties are hereafter occasionally referred to as "the Parties."

2. RECITALS

2.1 The Parties are public agencies under NRS 277.100;

2.2 NRS 277.180(1) provides that any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the contracting agencies is authorized by law to perform;

2.3 NRS 355.168 and 355.175 authorize the County's Treasurer ("Treasurer") to invest by pooling any money held by the Treasurer for local governments, including that of the District;

2.4 District desires to have certain monies deposited with Treasurer to be pooled with monies of County and other local governments for investment in County's pooled investment fund ("Fund"); and

2.5 County and District desire to enter into an agreement to set forth the terms and conditions upon which said monies are to be pooled and invested.

3. PRIOR AGREEMENTS This Agreement cancels and supersedes, as of the date hereof, any previous agreement, whether oral or written, between County and District regarding the subject of this Agreement.

4. AUTHORIZATION TO POOL AND INVEST District hereby authorizes County and Treasurer, and County and Treasurer agree, to invest certain monies tendered by District in the Fund without compensation pursuant to the terms and conditions hereof.

5. IDENTIFICATION OF WCSD MONIES District will deposit certain monies with Treasurer from time to time for the purposes set forth herein.

6. INVESTMENTS AND ALLOCATION

6.1 Treasurer shall invest District's monies in such securities only as authorized by NRS 355.170 and 355.171 as well as other applicable provisions of Nevada Revised Statutes and any special applicable law and in accordance with County's investment policies (a copy of which District acknowledges receipt).

6.2 Treasurer will allocate and distribute on account for District the District's prorata share of any gains, losses and interest earnings in the Fund based upon the proportion of District's monies to the total value of the Fund and also based on the average cash balance in the Fund over the applicable accounting period. Any related third party charges shall likewise be allocated to District. District acknowledges that the County and the Treasurer utilize the services of a professional fund manager as well as a statutorily required third party custody agent and that District's pro rata share of expenses will include the fees to pay these professional managers/agents.

7. PROCESSING DISTRICT'S DEBT PAYMENTS

7.1 District shall be solely responsible for monitoring the status of its bond issues and determining if and when it is appropriate to call said bond issues. Until District advises Treasurer in writing that it is calling a bond and directs Treasurer to cease payments, Treasurer shall process bond payments in accordance with instructions of issuance.

7.2 Treasurer may act as paying agent or select a third party paying agent to process bond payments. Any charges by such a third party shall be deducted from District's monies in the Fund.

8. REPORTING Washoe County Comptroller shall deliver to District as soon as practical following the end of each quarter of each fiscal year a report revealing the Fund's balances, earnings, losses and prorata allocations thereof to District.

9. DISTRICT'S AUTHORIZED AGENTS District shall promptly advise Treasurer in writing of the name(s) and address(es) of its employee(s)/agent(s) who is/are authorized to advise and instruct Treasurer concerning the matters of this Agreement. District will also provide to Treasurer specimen signatures of the authorized employee(s)/agent(s). Treasurer shall not suffer any liability whatsoever with respect to any action taken in reliance upon any written instructions or notices which Treasurer shall, in good faith, believe to be genuine and to have been signed by District's authorized employee(s)/agent(s).

10. WITHDRAWALS AND TERMINATION

10.1 District is entitled to make partial withdrawals of its monies out of the Fund provided District delivers to Treasurer written notice and specific instructions regarding said withdrawal. Treasurer shall comply therewith at the first reasonable opportunity presented by the markets and in consideration of the type of investments used in the Fund, but only so long as the Fund incurs no loss or risk to its remaining investments, and further so long as District pays any penalties, losses and third-party-expense related to said withdrawal. Cash distribution shall be determined by par value of securities at liquidation, if necessary.

10.2 This Agreement may be terminated by either party upon thirty days (30) written notice or upon the enactment of any law inconsistent herewith. The value of the Fund at the expiration of said thirty (30) days shall determine the prorata value of District's monies, including earnings and losses, available for withdrawal. Notwithstanding the thirty (30) day notice, said withdrawal of District's monies from the Fund shall occur over that period of time

which in the reasonable determination of Treasurer is necessary to protect the Fund's other investments from risk and loss in accordance with sec. 10.1 above, not to exceed eight (8) months. The party electing to terminate this Agreement shall pay all penalties, losses and third-party-expense related to said withdrawal.

11. INDEMNIFICATION/HOLD HARMLESS

11.1 The Parties agree that each will be responsible for any liability or loss that may be incurred as a result of any claim, demand, cost, or judgment made against that party arising from any negligent act or negligent failure to act by any of that party's employees, agents, or servants in connection with the performance of obligations assumed pursuant to this Agreement.

11.2 Each Party further agrees, to the extent allowed by law pursuant to NRS Chapter 41, to hold harmless, indemnify and defend the other from any and all losses, liabilities, or expenses of any nature to the person or property of another, to which each may be subjected as a result of any claim, demand, action, or cause of action arising out of the negligent acts, errors or omissions on the part of its own employees, agents, or servants.

11.3 The indemnification obligation pursuant to this section is conditioned upon receipt of prompt written notice by the indemnifying party of the indemnified party's actual notice of any action or pending claim or cause of action. The indemnifying party shall not be liable to hold harmless any attorney's fees and costs for the indemnified party's chosen right to participate with legal counsel.

11.4 District agrees that it is investing at its own risk and that past performance is no guarantee for future performance. District agrees to hold the county harmless from all claims, suits, actions, costs, losses, penalties, taxes and liabilities, including court costs and attorney's fee, arising from or related to investment performance under this Agreement.

12. MISCELLANEOUS PROVISIONS

12.1 This Agreement is binding upon and inures to the benefit of the Parties and their respective successors and assigns.

12.2 This Agreement constitutes the entire understanding and agreement of the Parties with respect to the subject matter hereof, and supersedes and replaces all prior understandings and agreements, whether verbal or in writing, with respect to the subject matter hereof.

12.3 This Agreement may not be modified, amended, assigned, transferred, nor may any rights, obligations or duties hereunder be delegated in any respect without the written consent of the other party hereto.

12.4 In the event either party brings any legal action or other proceeding with respect to the breach, interpretation, or enforcement of this Agreement, or with respect to any dispute relating to any transaction covered by this Agreement, the losing party or parties in such action or proceeding shall reimburse the prevailing party or parties therein for all reasonable costs of

litigation, including reasonable attorneys' fees.

12.5 This Agreement is made in, and shall be governed, enforced and construed under the laws of the County of Washoe and the State of Nevada. The parties consent to the personal jurisdiction of any state or federal court of competent jurisdiction located in Washoe County, Nevada and to the service of process by any means authorized by any such state or federal court under the laws of the State of Nevada. The exclusive venue of any action, proceeding or counterclaim arising out of or in connection with this Agreement shall be Washoe County, Nevada.

12.6 No delay or omission by either party in exercising any right or power hereunder shall impair any such right or power or be construed to be a waiver thereof, unless this Agreement specifies a time limit for the exercise of such right or power or unless such waiver is set forth in a written instrument duly executed by the person granting such waiver. A waiver of any person of any of the covenants, conditions, or agreements hereof to be performed by any other party shall not be construed as a waiver of any succeeding breach of the same or any other covenants, agreement, restrictions or conditions hereof.

12.7 All notices, demands or other communications required or permitted to be given in connection with this Agreement, shall be in writing, and shall be deemed delivered when personally delivered to a party (by personal delivery to an officer or authorized representative of an agency party) or, if mailed, three (3) business days after deposit in the United States mail, postage prepaid, certified or registered mail, addressed to the parties as follows:

Washoe County Treasurer
Administration Complex
1001 East Ninth Street, Suite D 140
Reno, Nevada 89512

Washoe County School District
425 East Ninth Street
Reno, Nevada 89520
Attention: Gary Kraemer

Any person may change its address for notice by written notice given in accordance with the foregoing provisions.

12.8 The Agreement may be executed in one or more counterpart copies, and each of which so executed, irrespective of the date of execution and delivery, shall be deemed to be an original, and all such counterparts together shall constitute one and the same instrument. This Agreement may be recorded.

12.9 This Agreement is effective upon the date the last signing party signs this Agreement ("Effective Date").

IN WITNESS WHEREOF, the Parties have executed this Agreement.

WASHOE COUNTY

Dated this 12th day of Oct., 2010

By: 

David Humke, Chairman
Board of Commissioners

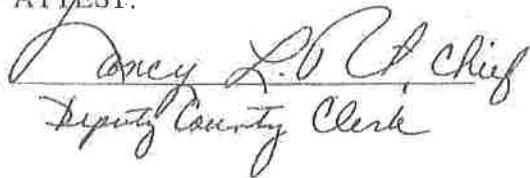
WASHOE COUNTY SCHOOL DISTRICT

Dated this ____ day of _____, 2010

By: _____, President

Board of Trustees

ATTEST:


Dancy L. B. Chaff
Deputy County Clerk

ATTEST:
